A Michigan Department of Agriculture and Rural Development Publication Linking You to the Potential of Overseas Markets

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www.foodexport.org | www.michigan.gov/agexport | www.twitter.com/MIAgExport | www.fas.usda.gov

Success Story: The Blueberry Store Overcomes Obstacles to Make Sale in China

Over the last three years The Blueberry Store, located in South Haven, MI has participated in activities offered by the International Marketing Program at the Michigan Department of Agriculture and Rural Development (MDARD). Company representatives have attended export seminars as well as the Midwest Buyers Mission where they met multiple buyers from around the world and became more active in exporting their blueberry products.

The Blueberry Store produces a wide range of preserved blueberry products including; syrup, butter, coffee, pancake mix, pie filling and more. Earlier this year, they made a sale and shipped product to be sold in China. However, there were still roadblocks ahead.

According to Charlie Lannin, Sales Manager, "Our products were sitting in limbo in China waiting for the proper documents to be submitted. We have several co-packers and needed to get our certificates under our name. We received help from MDARD in obtaining the correct documents and our products are now being sold in China." As a result Lannin says, "We have better knowledge of what certificates are needed in certain areas for exporting and how to obtain them." He also indicated that he feels he has gained knowledge in both shipping and ways to properly obtain payment for exports.

For more information on exporting Michigan food and agricultural products, visit Michigan.gov/agexport. If you would like to talk to someone in the International Marketing Program, please call program manager Jamie Zmitko- Somers at (517) 241-3628 or email zmitkoj@michigan.gov.

International Marketing Program Survey Results

The results are in and a big thank-you goes out to everyone who responded to the recent International Marketing Program survey. We'd like to share some of the results and feedback received.

- •93% of respondents have exported previously
- •Success stories, new market information, foreign brokers and changes in trade agreements/regulations are all topics of interest for the New Market Developer
- •Topics suggested for export seminars include- shipping, Canadian markets, documentation requirements and changing regulations.
- •93% of respondents are interested in reimbursement for international marketing expenses and 71% are interested in educational workshops and seminars
- •85% of respondents have used the Branded Program, 69% have attended a Buyers Mission, and 62% have attended educational seminars
- •Respondents were most interested in the Mexican, Canadian and Chinese markets

Your feedback is greatly appreciated as it will help guide program activities in 2013. Our first export seminar of the year will take place on February 13 in conjunction with the Global Business Club at the Henry Center in Lansing.

If you are interested is attending this seminar, or did not get an opportunity to share your comments through the survey, please contact Jamie Zmitko-Somers at 517-241-3628 or zmitkoj@michigan.gov.

2012 MI Ag Exporter of the Year

Has your company had export success in recent years? The Michigan Department of Agriculture and Rural Development (MDARD) is now seeking self-nominations for the 2012 Agricultural Exporter of the Year Award. This honor recognizes a company's success in growing and developing export sales, as well as it identifies a company as a dependable, dynamic business. This award recognition can bring further success, serving as a signal to international buyers of a company's quality and customer satisfaction. Interested companies should contact Jamie Zmitko-Somers at zmitkoj@ michigan.gov, or Click Here for the application.



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Does the CTPA (U.S. Columbia Trade Promotion Agreement) Have Different Criteria than NAFTA to Determine Origin?

The following is an excerpt from the 2012 November/December issue of Global Food Marketer published by Food Export. For more articles such as this, please visit their website **HERE**.

Essentially all Free Trade Agreements use a similar template to allow preferential tariff treatment. This is especially true with the more recent agreements as they do not have a formal certificate of origin to be completed. They also use some different vocabulary and methods to determine and document origin. Since this has become a more frequently asked question given the new agreements with South Korea (KORUS) and Colombia (CTPA), it is a good time to outline those important differences. As previously mentioned, the platform with the most coverage and links to a number of individual sites for the CTPA is located at www.export.gov. On the front page, click on the NAFTA Certificate. On the second page, click on Learn to Benefit from FTAs, and on the third page you will find a list of current and pending trade agreements.

Even if your product contains non-NAFTA materials, it can qualify as Preference Criterion B if the materials satisfy the Rules of Origin. The Annex 401 Rules of Origin are based on the change in tariff classification, a regional value-content requirement, or both. There are not many regional-value content requirements for food products; however, there are often product-specific rules of origin that limit or even ban non-qualifying ingredients. There are usually sugar, milk, nuts, cocoa, and fruits, among others. If you click on "NAFTA Certificate" in www.export.gov, there is an explanation on the Preference Criteria and the Rules of Origin, as well as a link to them.

When documenting origin with the new CTPA, it is important to keep in mind that general products that are originating in the United States are eligible for the FTA rate of duty if origination can be documented as originating under the U.S.-Colombia TPA if it is:

- 1) Wholly obtained or produced in the United States
- 2) Produced entirely in the United States and each of the non-originating materials (inputs) that are part of the good (product) being exported have met the relevant product-specific rule of origin
- 3) Produced entirely in the U.S. from originating materials (inputs)

Additional resources regarding trade agreements are available at the website of the Office of the U.S. Trade Representative, www.ustr.gov, Food Export www.foodexport.org/Resources, and the Michigan Department of Agriculture and Rural Development, www.michigan.gov/agexport.

COMING EVENTS

Natural Products Expo West Buyers Mission Food Show PLUS! at CRFA

Webinar: "The Letter of Credit Transaction"

March 7-8

March 3-5

Janurary 15

Anaheim, CA

Toronto, Canada

Online

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events, services, export trends, links, and news. www.twitter.com/MIAgExport.

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Booth Space Available in MI Pavilion at NRA Show



The American Food Fair Showcase will take place May 18-21, 2013 at the McCormick Place in Chicago, IL, in conjunction with the National Restaurant Show (NRA), www.restaurant.org or www. nasdatradeshows.org. The 2012 show drew over 58,000 attendees including buyers from over 100 countries. This is a great opportunity to meet both domestic and international buyers in foodservice, HRI and retail channels. Additional information on 2012 show attendees can be found **HERE**.

Last year Michigan companies reported actual sales of \$600,000 at the show and anticipated sales of nearly \$2 million from their participation.

The cost of a 10x10 booth in the Michigan pavilion is \$2,995.00 (\$29.95/sq ft). Eligible companies can receive 50% of their booth costs reimbursed though the Branded Program, www. brandedprogram.org. The floor plan is available **HERE**.

If you are interested in exhibiting within the Michigan pavilion at the American Food Fair Showcase, please contact Jamie Zmitko-Somers at (517) 241-3628 or zmitkoj@michigan.gov.

Exporting Questions? Contact Jamie Zmitko-Somers at (517)241-3628 or e-mail zmitkoj@michigan.gov

Newsletter suggestions? Contact Hannah Bollinger by e-mail at BollingerH@michigan.gov

